



Patrick A. Harrington
Corporate Secretary

VIA UPS

November 10, 2008

Ms. Vikie Bailey-Goggins
Oregon Public Utility Commission
550 Capitol St. NE
Salem, OR 97310-1380

Re: In the Matter of the Application of Idaho Power Company for an
Order Authorizing the Issuance and Sale of up to \$350,000,000 of
Applicant's First Mortgage Bonds and Debt Securities

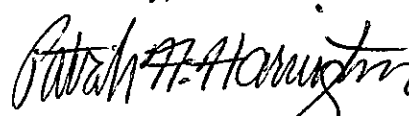
UF 4244

Dear Ms. Bailey-Goggins:

Idaho Power is hereby filing an original and four (4) copies of its "Application to Amend Order No. 08-105" in the above referenced case. Idaho Power has also electronically filed the application with the Commission under the Commission's e-filing rules.

Please contact me at (208) 388-2878 if you should have any questions regarding this Application.

Sincerely,



Patrick A. Harrington

Enclosures

c: Steve Storm – OPUC Staff

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR AN)	UF 4244
ORDER AUTHORIZING THE ISSUANCE)	
AND SALE OF UP TO \$350,000,000 OF)	APPLICATION TO AMEND
APPLICANT'S FIRST MORTGAGE BONDS)	ORDER NO. 08-105
<u>AND DEBT SECURITIES</u>)	

On January 28, 2008, the Public Utility Commission of Oregon (the "Commission") issued Order No. 08-105 (the "Order") in this case authorizing Idaho Power Company ("Idaho Power" or the "Company") to issue and sell up to \$350,000,000 of its First Mortgage Bonds and/or Debt Securities under the Company's Shelf Registration filed with the SEC. Idaho Power is hereby requesting an amendment to the Order as described below, pursuant to ORS 756.568. All capitalized terms not defined in this application have the meanings set forth in Idaho Power's original application in this case dated December 12, 2007.

Idaho Power is requesting amendments to Attachment A of Appendix A of the Order ("Attachment A"), as indicated on the attached mark-up of Attachment A. Following is an explanation of the Attachment A amendments requested by Idaho Power:

Table 2 – Maximum All-in Spread over Treasuries

Table 2 of Attachment A has been amended to address "Maximum All-in Spread over Treasuries" rather than the original "Maximum Spread over Treasuries". This means that the spread over treasuries calculations for the MTNs will be based on the all-in cost of the MTNs rather than the coupon rate of the MTNs. This modification was recommended by the Commission staff. Table 2 has also been amended to increase the basis point spreads listed on the right-hand column of the Table, to reflect the sharp increase in spreads over treasuries in the credit markets since the Order was issued in January 2008.

Table 3 – All-in Rates

Table 3 has been amended to increase the “Maximum All-in Rate” for the MTN maturity ranges listed in the Table. These increased rates reflect the sharp increase in bond interest rates since the Order was issued in January 2008.

Definition of All-in Rates

As indicated above, both Table 2 and Table 3 as amended are based upon the “all-in rates” for the MTNs, which are defined as “the coupon rate, the appropriate commission, estimated other issuance expenses, and any additional discount below 100% of the principal amount(s) of the MTNs”. “Estimated other issuance expenses” is further defined in the amendments to Attachment A as follows:

For purposes of Table 2 and Table 3, “estimated other issuance expenses” for each issuance of MTNs or Debt Securities by the Applicant shall be calculated as a pro rata portion of the \$2.2 million of total other estimated issuance expenses set forth in the Company’s original application in this case. The pro rata portion will be based upon the principal amount of MTNs or Debt securities being issued as compared with the total \$350 principal amount of MTNs and Debt Securities included in the Company’s application.

This definition of “estimated other issuance expenses” is important because it provides a practical calculation of the issuance expenses that can be determined *before* the MTNs are issued. By contrast, actual issuance expenses for a given MTN issuance are not known until months *after* the issuance. It is necessary for the Company to definitively establish the amount of “estimated other issuance expenses” before the MTNs are issued, to confirm that the “all in spreads” and “all-in rates” of the MTNs fall within the “all in spreads” and “all-in rates” ranges set forth in Table 2 and Table 3, respectively, of Attachment A. If the “estimated other issuance expenses” are not established at the time of issuance of the MTNs, compliance with the requirements of Table 2 and Table 3 cannot be definitively confirmed, and bond counsel will not provide the unqualified legal opinions required for issuance of the MTNs.

Rounded Coupon Rates

The following sentence from the Order is deleted in the Attachment A amendments:

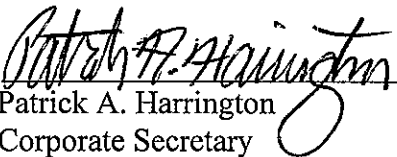
If the securities are issued as medium-term notes and sold directly to agent(s) as principals, the MTNs will be sold at 100% of their principal amount(s) less a percentage not [to] exceed the equivalent agent's fee for a security of similar maturity (as in Table 1).

This sentence could be read to prohibit the Company from selling the MTNs to agents at a discount (i.e. below 100% of the principal amount(s)) for valid business purposes, such as to round down the coupon interest rate on the MTNs to an even number for marketing purposes. Accordingly, Idaho Power wishes to delete the sentence from the Order. This deletion will be offset by the new definition of "estimated other issuance expenses" in Attachment A, which includes "any additional discount below 100% of the principal amount(s) of the MTNs".

Based on the foregoing, Idaho Power respectfully requests that the Public Utility Commission of Oregon amend Order No. 08-105 in this case as set forth on the attached Attachment A.

DATED at Boise, Idaho this 10th day of November, 2008.

IDAHO POWER COMPANY

By: 
Patrick A. Harrington
Corporate Secretary

Attachment A

The maximum commission to be paid by the Company to an agent(s), or to an agent(s) as principal, for issuance of either First Mortgage Bonds as medium-term notes or Debt Securities in a given maturity range is listed below:

<u>Range of Maturities</u>	<u>Commission (Percentage of Aggregate Principal Amount of Notes Sold)</u>
From 9 months to less than 1 year	0.125%
From 1 year to less than 18 months	0.150%
From 18 months to less than 2 years	0.200%
From 2 years to less than 3 years	0.250%
From 3 years to less than 4 years	0.350%
From 4 years to less than 5 years	0.450%
From 5 years to less than 6 years	0.500%
From 6 years to less than 7 years	0.550%
From 7 years to less than 10 years	0.600%
From 10 years to less than 15 years	0.625%
From 15 years to less than 20 years	0.675%
20 years and more	0.750%

~~If securities are issued as medium-term notes and sold directly to agents as principals, the MTNs will be sold at 100% of their principal amount(s) less a percentage not exceed the equivalent agent's fee for a security of similar maturity (as in Table 1).~~

Interest rates on Medium-Term Notes:

Interest rate(s) will be determined at the time(s) of issuance. Idaho Power expects the costs of issuance to fall within the all-in spread over the respective U.S. Treasury bond or note as indicated in Table 2 below, where the Company's all-in cost is calculated as the cost to maturity reflecting the coupon rate, and the appropriate commission, estimated other issuance expenses, and any additional discount below 100% of the principal amount(s) of the MTNs.

Table 2
Maximum All-in Spread over Treasuries

Term Greater Than or Equal To	And Less Than	Maximum <u>All-in</u> Spread Over Benchmark Treasury Yield
9 months	2 years	+ 115 <u>350</u> basis points
2 years	3 years	+ 125 <u>365</u> basis points
3 years	4 years	+ 140 <u>380</u> basis points
4 years	6 years	+ 145 <u>395</u> basis points
6 years	9 years	+ 150 <u>410</u> basis points
9 years	10 years	+ 155 <u>425</u> basis points
10 years	11 years	+ 160 <u>450</u> basis points
11 years	15 years	+ 163 <u>465</u> basis points
15 years	20 years	+ 165 <u>480</u> basis points
20 years	<u>350</u> years	+ 180 <u>500</u> basis points

Should all-in spreads over Treasuries exceed the maximum spreads in Table 2, the all-in coupon rates, which include the coupon rate, the appropriate commission, estimated other issuance expenses, and any additional discount below 100% of the principal amount(s) of the MTNs, will not exceed those in Table 3.

Table 3
All-in Coupon Rates

Maturity	Maximum All-in Coupon Rate
Less than 5 years	6.00 <u>8.50</u> %
5 years to less than 10 years	6.50 <u>9.00</u> %
10 years to less than 20 years	7.00 <u>9.50</u> %
20 years to 30 years	7.50 <u>10.00</u> %

For purposes of Table 2 and Table 3, "estimated other issuance expenses" for each specific issuance of MTNs or Debt Securities by the Applicant shall be calculated as a pro rata portion of the \$2.2 million of total other estimated issuance expenses set forth in the Company's original application in this case. The pro rata portion will be based upon the principal amount of MTNs or Debt securities being issued by the Company as compared with the total \$350 principal amount of MTNs and Debt Securities included in the Company's application.